

By: Zaffirini

S.B. No. 1756

A BILL TO BE ENTITLED

AN ACT

relating to a sales and use tax exemption for United States flags  
and Texas state flags.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Subchapter H, Chapter 151, Tax Code, is amended  
by adding Section 151.3401 to read as follows:

Sec. 151.3401. CERTAIN FLAGS. (a) In this section, "flag"  
means an emblem, banner, or other standard or a copy of an emblem,  
banner, or standard that is an official or commonly recognized  
depiction of the flag of the United States or of this state and is  
capable of being flown from a staff of any character or size. The  
term does not include a representation of a flag on a written or  
printed document, a periodical, stationery, a painting or  
photograph, or an article of clothing or jewelry.

(b) The sale of a flag is exempted from the taxes imposed by  
this chapter if the flag is a United States flag or a state flag, as  
described by Section 3100.001, Government Code.

(c) The exemption provided by this section does not apply to  
the sale of an item that is not a flag, but on which an image of a  
flag described by this section is displayed.

SECTION 2. The change in law made by this Act does not  
affect tax liability accruing before the effective date of this  
Act. That liability continues in effect as if this Act had not been  
enacted, and the former law is continued in effect for the

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1 collection of taxes due and for civil and criminal enforcement of  
2 the liability for those taxes.

3 SECTION 3. This Act takes effect September 1, 2017.